



Iowa Department of Human Services

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INFORMATIONAL LETTER NO.1164

DATE: September 25, 2012

TO: Iowa Medicaid Home and Community Based (HCBS) Waiver Adult Day Care and Prevocational Service Providers, Case Managers, Targeted Case Managers and Service Workers

ISSUED BY: Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

RE: Adult Day Care and Prevocational Units of Service

EFFECTIVE: Immediately

This letter is intended to provide case managers and providers with clarification of the administrative rules for the authorization and reimbursement of HCBS Waiver Adult Day Care services and HCBS Habilitation, and Intellectual Disability (ID) and Brain Injury (BI) Waiver Prevocational services.

It has come to our attention that system edits in the Individualized Services Information System (ISIS) that were designed to allow for flexibility and multiple provider reimbursement, have resulted in the inappropriate authorization of Adult Day Care and Prevocational units of service. We have identified the following concerns:

- Some case managers are authorizing over thirty one units of Adult Day Care or Prevocational services per month.
- Some providers are billing for multiple units of Adult Day Care or Prevocational service per day.

The IME intends this letter to serve to educate case managers and providers on appropriate service authorization and billing practices and does not intend to apply penalties at this time. **Case managers and providers will have until October 30, 2012, to make the necessary changes to the member's service plans to bring service authorization in line with the intent of the administrative rules.**

Adult Day Care and Prevocational services authorized beginning November 1, 2012, are subject to full enforcement of the Iowa Administrative Rules. Services which are not in compliance with the Administrative Rules will subject case managers and providers to the penalties and sanctions provided in 441 IAC 79.2(2) and recoupment in accordance with 441 IAC 79.4.

Adult Day Care Administrative Rules

Ill and Handicapped (I&H) Waiver rule 441 IAC 78.34(3) defines a unit of Adult Day Care service as a half-day (1 to 4 hours), or a full day (4 to 8 hours) or extended day (8-12 hours).

Elderly Waiver rule 441 IAC 78.37(1) defines a unit of Adult Day Care service as a half-day (1 to 4 hours), or a full day (4 to 8 hours) or an extended day (8-12 hours).

AIDS/HIV Waiver rule 441 IAC 78.38(1) defines a unit of Adult Day Care service as a half-day (1 to 4 hours), or a full day (4 to 8 hours) or an extended day (8-12 hours).

Intellectual Disability (ID) Waiver rule 441 IAC 78.41(12) defines a unit of Adult Day Care service as a half-day (1 to 4 hours), or a full day (4 to 8 hours) or an extended day (8-12 hours).

Brain Injury (BI) Waiver rule 441 IAC 78.43(9) defines a unit of Adult Day Care service as a half-day (1 to 4 hours), or a full day (4 to 8 hours) or an extended day (8-12 hours).

Prevocational Services Administrative Rules

Habilitation rule 441 IAC 79.1(24) (a) (4), defines a unit of Prevocational Habilitation service as an hour, a half-day (1 to 4 hours), or a full day (4 to 8 hours).

Intellectual Disability Waiver rule 441 IAC 78.41(13) (c) defines a unit of Prevocational service as an hour, a half-day (1 to 4 hours), or a full day (4 to 8 hours).

Brain Injury Waiver rule 441 IAC 78.43(11) (c) defines a unit of Prevocational service as an hour, a half-day (1 to 4 hours), or a full day (4 to 8 hours).

Provider Instruction

Providers should bill for no more than one unit of Adult Day Care or one unit of Prevocational service per day. If the member receives one hour to four hours of service, the provider bills one half-day unit. If the member receives four hours to eight hours of service throughout the day, the provider must bill one full-day unit, and if the member receives eight hours to twelve hours of Adult Day Care service throughout the day, the provider must bill the extended-day unit of service.

Providers who have a notice of decision for members which authorizes more than thirty one units of Adult Day Care or Prevocational services per month shall:

- Establish the rate for any Adult Day Care or Prevocational procedure codes for which you do not currently have a rate established.
- Assess the member's current or historical attendance and project future attendance.
- Contact the member's case manager to coordinate the changes needed to the service plan for service authorization.

Case Manager Instruction

Case managers should authorize no more than one unit of Adult Day Care or Prevocational service per unique provider/ National Provider Identifier (NPI) number per member per day. If a member receives one hour to four hours of service, authorize one half-day unit. If the member receives four to eight hours of service throughout the day, authorize one full-day unit and if the member receives eight hours to twelve hours of Adult Day Care service throughout the day, the case manager must authorize the extended-day unit of service.

Case Managers with members who have more than thirty one units of Adult Day Care or Prevocational services authorized in the service plan shall:

- Contact the member's Adult Day Care or Prevocational provider to coordinate the changes needed to the service plan for service authorization.
- Assess the hours the member will participate in Adult Day Care or Prevocational services each day and authorize the number of units the individual needs accordingly. Services must be individualized and based on the individual's comprehensive functional assessment rather than authorizing the maximum units to allow for maximum utilization.
- Authorize no more than thirty one units of Adult Day Care or Prevocational services per unique provider / NPI number per member per month; this will likely be a combination of hourly, half-day and daily units

Example:

In this example, the member attends the Adult Day Care or Prevocational service program for three half-day units, one full-day unit and one extended day each week.

For a typical month, the case manager would authorize: thirteen half- day units and five full-day units and five hour units.

	Mon	Tues	Wed	Thurs	Fri
Times attending	9:00am-12:00pm	9:00am-3:00pm	9:00am-12:00pm	1:00pm-2:15pm	2:00pm -3:00pm
Hours per day	3 hours	6 hours	3 hours	1.25 hours	1 hour
Units to authorize	1 half- day	1 full-day	1 half- day	1 half- day	1 hour

Provider questions should be addressed to the IME Provider Services Unit at 1-800-338-7909, or locally (in Des Moines) at 515-256-4609 or by email at imeproviderservices@dhs.state.ia.us.

Case manager questions should be addressed to the Program Manager:

AIDS/HIV, I&H and PD Waivers: Sue Stairs at: sstairs@dhs.state.ia.us

Elderly Waiver: Le Howland at: lhowlan@dhs.state.ia.us

BI Waiver and Habilitation: LeAnn Moskowitz at: lmoskow@dhs.state.ia.us

ID Waiver: Brian Wines, at: bwines@dhs.state.ia.us